

## Message Text

SECRET

PAGE 01 STATE 189155

43

ORIGIN EA-14

INFO OCT-01 CIAE-00 COME-00 DODE-00 EB-11 NSAE-00 RSC-01

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66621

DRAFTED BY: EA/PRCM:PTLINCOLN, JR  
APPROVED BY: EA/PRCM:OVARMSTRONG  
EB/EWT:SGOODMAN(DRAFT)  
COMMERCE/OEC:JNELSON(DRAFT)

----- 035515

R 212343Z SEP 73  
FM SECSTATE WASHDC  
TO AMEMBASSY PARIS  
INFO USLO PEKING  
AMCONSUL HONG KONG

S E C R E T STATE 189155

EXCON

E.O. 11652: XGDS-2  
TAGS: ESTC, CH, FR  
SUBJECT: LICENSING OF GEOPHYSICAL EQUIPMENT FOR SALE TO PRC

REFS: (A) PARIS 24499, (B) STATE 183468, (C) PARIS 24005

1. AT PRESENT TIME, AND BASED ON INFORMATION PROVIDED IN REFTELS A AND C, USG NOT ABLE TO GIVE A FAVORABLE ADVISORY OPINION RE LICENSES FOR SALE TO PRC OF SOPHISTICATED TYPES OF GEOPHYSICAL AND SEISMIC EQUIPMENT. UNDER CURRENT POLICY, USG HAS NOT APPROVED LICENSES FOR SOPHISTICATED EQUIPMENT INCLUDING DOPPLER SONAR AND PDP8 COMPUTER, FIR USE IN GEOPHYSICAL OR SEISMIC SURVEYS ON THE NORTH ASIAN CONTINENTAL SHELF. (NOTE: TERM "SOPHISTICATED EQUIPMENT" AS USED HERE IS NOT RESTRICTED TO COMMODITIES CITED IN REFTELS, BUT ALSO COVERS CERTAIN RADAR SYSTEMS, CERTAIN SONAR SYSTEMS, STABILIZED PLATFORMS, AND INERTIAL NAVIGATION SYSTEMS, MILITARY LORAN, RECEIVERS AND GYRO COMPASSES WITH PRECISION GYROS. UNTIL RECENTLY 5001 ITT SATELLITE

SECRET

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PAGE 02 STATE 189155

RECEIVER WAS SIMILARLY CONTROLLED, BUT DOES NOT NOW REQUIRE

VALIDATED LICENSE,) YOU MAY TELL SERCEL/CGG REPRESENTATIVE THAT US LICENSING POLICY WITH REGARD TO PROVISION OF PETROLEUM INDUSTRY EQUIPMENT AND TECHNOLOGY TO THE PRC IS CURRENTLY UNDER REVIEW, AND THAT WE WOULD NOT WANT TO EXCLUDE POSSIBILITY OF FUTURE RECONSIDERATION OF US POSITION ON THESE ISSUES.

2. FYI - US POLICY REVIEW GOES BEYOND QUESTIONS OF LICENSING OF PARTICULAR EQUIPMENT AND TECHNOLOGY AND EXAMINES BROAD QUESTIONS OF APPROPRIATE ROLE, IF ANY, OF USG AND US COMPANIES IN DEVELOPMENT OF PRC PETROLEUM RESOURCES. UNTIL THIS REVIEW IS COMPLETED, WE WOULD NOT WANT TO BE ANY MORE FORTHCOMING TO FRENCH ON SALE OF GEOPHYSICAL EQUIPMENT THAN WE HAVE BEEN IN RESPONSE TO QUERIES FROM US COMPANIES WHO HAVE WANTED TO USE CERTAIN TYPES OF EQUIPMENT IN NORTH ASIAN CONTINENTAL SHELF, OR WHO HAVE MADE PROPOSALS TO CHINESE ABOUT VARIOUS TECHNOLOGY-SHARING ARRANGEMENTS OR OFFERS TO CONDUCT GEOPHYSICAL EXPLORATIONS FOR PRC ON CONTRACTUAL BASIS. EVENTUAL US POSTURE ON THESE ACTIVITIES WILL ALSO DEPEND ON OUTCOME OF POLICY REVIEW. END FYI

3. DEPARTMENT WOULD BE INTERESTED IN ANY FURTHER INFORMATION YOU CAN DEVELOP AS TO STATUS OF SERCEL DISCUSSIONS WITH CHINESE, AND WHETHER SERCEL IN FACT BREAKS OFF NEGOTIATIONS SUBSEQUENT TO YOUR CONVEYING US POSITION CONTAINED IN THIS MESSAGE.

4. REFTELS BEING REPEATED PEKING AND HONG KONG. RUSH

SECRET

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
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**Control Number:** n/a  
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**Subject:** LICENSING OF GEOPHYSICAL EQUIPMENT FOR SALE TO PRC  
**TAGS:** ESTC, CH, FR  
**To:** PARIS  
**Type:** TE  
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